

**MONTEBELLO OVERSIGHT BOARD
AGENDA STAFF REPORT**

TO: Honorable Chair and Members of the Oversight Board

FROM: Francesca Tucker-Schuyler, Executive Director of Successor Agency

BY: Steve Kwon, Interim Finance Director for Successor Agency
Christopher G. Cardinale, Successor Agency Legal Counsel

SUBJECT: Consideration of Successor Agency's Recognized Obligations Payment Schedule and Administrative Budget for Fiscal Year 2016-2017

DATE: January 25, 2016

OBJECTIVE

Obtain Oversight Board approval of the Successor Agency's Recognized Obligation Payment Schedule and Administrative Budget covering the 2016-2017 Fiscal Year.

BACKGROUND

A. The Dissolution Law – ROPS and Administrative Budget Requirements

The Community Redevelopment Agency of the City of Montebello ("**Agency**") was dissolved effective February 1, 2012, by Assembly Bill 1x 26 ("**AB 26**") and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*. As authorized by AB 26, the City Council of the City of Montebello ("**City**") adopted a resolution electing to serve as the "successor agency" to the dissolved Agency (the "**Successor Agency**"), and thereby assumed responsibility for winding down the Agency's affairs.

Under AB 26, the Successor Agency's responsibilities included preparing a Recognized Obligations Payment Schedule ("**ROPS**") for each six (6) month fiscal period that listed payments due on all "enforceable obligations" during that period. Before it became effective, each ROPS was required to be approved by the Montebello Oversight Board ("**Oversight Board**") and the Department of Finance ("**DOF**"). The Oversight Board has previously approved several iterations of the Successor Agency's ROPS, and each has been by DOF.

AB 26 also required the Successor Agency to create an "administrative budget" for each six (6) month period. The administrative budget was required to include: (1) estimated amounts for successor agency administrative costs for the upcoming six (6) month period; (2) proposed payment sources for such costs; and (3) arrangements for administrative and operations services to be provided by the City. The administrative budget was required to be approved by the Oversight Board and DOF.

The Successor Agency's administrative budget is funded by the "administrative cost allowance," which – under the Dissolution Law – was three percent (3%) of the money allocated to the Successor Agency to pay approved enforceable obligations during the applicable payment period, or \$250,000, whichever was greater.

B. Changes Enacted by Senate Bill 107

In September 2015, Senate Bill 107 ("**SB 107**") became law and made significant revisions to the Dissolution Law. As relevant here, these changes included an annual ROPS to replace the bi-annual process described above.

The new process requires the Successor Agency to submit an Oversight Board-approved ROPS covering the 2016-2017 Fiscal Year to DOF before February 1, 2016.¹ This ROPS must include estimates of payments due on all enforceable obligations during the entire 2016-2017 Fiscal Year.

Once per ROPS period, but no later than October 1 of the applicable fiscal year, the Successor Agency may request an amendment to the ROPS; provided the Oversight Board finds a revision is necessary for the payment of approved "enforceable obligations" during the second half of the fiscal year. Amendments are only permitted to increase funding for enforceable obligations that have already been approved by the Oversight Board and DOF.

If the Successor Agency does not meet the February 1 deadline, SB 107 provides for the imposition of significant penalties against the City (e.g. a civil penalty of \$10,000 per day for each day, and reduction in the Successor Agency's administrative cost allowance).

DOF is required to issue a determination on the ROPS before April 15, 2016, and SB 107 preserves the Successor Agency's ability to dispute DOF determinations through a meet-and-confer process.

SB 107 also made changes to the administrative budget process. The Successor Agency's administrative budget must include the same information previously required, and must be approved by the Oversight Board. However, it no longer must be approved by DOF.

Additionally, SB 107 made changes to the administrative cost allowance available to fund the budget. Commencing July 1, 2016, the administrative cost allowance cannot exceed the lesser of the following: (1) three percent (3%) of the money allocated to the Successor Agency to pay approved enforceable obligations during the preceding fiscal

¹ ROPS covering subsequent fiscal years are required to be submitted to DOF each February 1, unless and until the Successor Agency obtains approval of a "Last and Final ROPS" in accordance with the procedures set forth in SB 107. Because the Successor Agency has added a few new items to the current ROPS, it does not qualify for submission of the Last and Final ROPS at this time.

year; (2) fifty percent (50%) of the money allocated to the Successor Agency to pay approved enforceable obligations during the applicable fiscal year; or (3) \$250,000.

DISCUSSION

The Successor Agency's ROPS covering the payment period of July 1, 2016, to June 30, 2017 ("**ROPS 16-17**"), is attached for the Oversight Board's consideration. Staff notes that the majority of the items are "hold-overs" from past ROPS. These items have been previously approved by the Oversight Board and DOF, and ROPS 16-17 merely requests funding for such items for the upcoming fiscal year.

However there are three (3) new items staff would like to highlight:

- 2015 Refunding Bonds (Items 47 and 48) – With Oversight Board approval, the Successor Agency recently refunded outstanding indebtedness of the former Agency. The debt service on the new bond issuance – the 2015A Successor Agency Tax Allocation Refunding Bonds (Tax-Exempt) and the 2015B Tax Allocation Refunding Bonds (Taxable) – are reflected at Items 47 and 48. With these refunding bonds, the bond issuances reflected at Items 1-4, 7-8, and 12 have been retired.
- Bond Proceeds Expenditure Agreement – This Agreement is to be considered by the Oversight Board as a separate agenda item. It was approved by the Successor Agency and City of Montebello on January 13, 2016, and provides for the Successor Agency's transfer of approximately \$4.6 million in unexpended redevelopment agency bond proceeds to the City. The City will use such proceeds for purposes consistent with the bond documents, with all expenditures subject to the approval of the City Council. This item will not be funded with property tax revenues, and will not impact the revenues available to pay other "enforceable obligations" or the revenues to be allocated to affected taxing entities.

If the Oversight Board has questions about any of the remaining items on the ROPS, staff is available to answer any questions and provide additional detail.

Also attached for the Oversight Board's consideration is the Successor Agency's Administrative Budget for the 2016-2017 Fiscal Year. Staff has prepared the budget in accordance with SB 107's revised requirements, and it allocates available funding to various administrative / overhead expenses of the Successor Agency. Pursuant to SB 107, if approved by the Oversight Board it will not be subject to DOF review.

SUMMARY

The Oversight Board will consider approval of the Successor Agency's Recognized Obligation Payment Schedule and Administrative Budget covering the 2016-2017 Fiscal Year, in accordance with the deadlines and procedures enacted by Senate Bill 107.

RECOMMENDATION

It is recommended that the Oversight Board adopt the following resolutions:

- A RESOLUTION OF THE MONTEBELLO OVERSIGHT BOARD APPROVING THE MONTEBELLO SUCCESSOR AGENCY'S RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE FOR FISCAL YEAR 2016-2017 (ROPS 16-17); and
- A RESOLUTION OF THE MONTEBELLO OVERSIGHT BOARD APPROVING THE MONTEBELLO SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2016-2017

ATTACHMENTS

- Resolution Approving ROPS 16-17
- ROPS 16-17
- Resolution Approving the Administrative Budget for Fiscal Year 2016-2017
- Administrative Budget for Fiscal Year 2016-2017

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency:Montebello

County:Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding				
A	Sources (B+C+D):	\$ 2,333,366	\$ 2,333,365	\$ 4,666,731
B	Bond Proceeds Funding	2,333,366	2,333,365	4,666,731
C	Reserve Balance Funding	-	-	-
D	Other Funding	-	-	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 6,212,376	\$ 2,321,206	\$ 8,533,582
F	Non-Administrative Costs	6,087,376	2,196,206	8,283,582
G	Administrative Costs	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 8,545,742	\$ 4,654,571	\$ 13,200,313

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) of the Health and Safety code, I hereby
certify that the above is a true and accurate Recognized Obligation
Payment Schedule for the above named successor agency.

NameTitle

/s/

SignatureDate

Montebello Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	16-17A					16-17A Total	16-17B					16-17B Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
Hillside 1997 Refunding Bonds	Bonds Issued On or Before 12/31/10	3/1/1997	3/1/2019	Bank of New York	Land and Infrastructure Improvements		\$ 57,200,607	Y	\$ -	\$ 2,333,366	\$ -	\$ -	\$ 6,087,376	\$ 125,000	\$ 8,545,742	\$ 2,333,365	\$ -	\$ -	\$ 2,196,206	\$ 125,000	\$ 4,654,571
1998 Series A Hillside Refunding Bonds	Bonds Issued On or Before 12/31/10	3/1/1998	3/1/2019	Bank of New York	Land and Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds 1998 Series B (Hillside)	Bonds Issued On or Before 12/31/10	3/1/1998	3/1/2019	Bank of New York	Land and Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds 1999 Series A (Hillside)	Bonds Issued On or Before 12/31/10	3/1/1999	3/1/2024	Bank of New York	Land and Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds 2007 Series A (Hillside)	Bonds Issued On or Before 12/31/10	3/1/2007	3/1/2024	Bank of New York	Land and Infrastructure Improvements		1,430,800	N	\$ 498,000				26,500		\$ 26,500				471,500		\$ 471,500
Tax Allocation Parity Bonds 2007 Series B (Hillside)	Bonds Issued On or Before 12/31/10	3/1/2007	3/1/2019	Bank of New York	Land and Infrastructure Improvements		3,000,624	N	\$ 371,984				68,492		\$ 68,492				303,492		\$ 303,492
Tax Allocation Bonds 2009 Series A (Hillside)	Bonds Issued On or Before 12/31/10	3/1/2009	3/1/2027	Bank of New York	Land and Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds So Ind 1999 SeriesA	Bonds Issued On or Before 12/31/10	3/1/1999	9/1/2022	Bank of New York	Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds So Ind 1999 Series B	Bonds Issued On or Before 12/31/10	3/1/1999	9/1/2022	Bank of New York	Infrastructure Improvements			Y	\$ -						\$ -						\$ -
Tax Allocation Parity Refunding Bonds So Ind 2007 Series A	Bonds Issued On or Before 12/31/10	9/1/2007	9/1/2022	Bank of New York	Infrastructure Improvements		4,854,216	N	\$ 692,795				590,790		\$ 590,790				102,005		\$ 102,005
1997 Housing Series B	Bonds Issued On or Before 12/31/10	9/1/1997	9/1/2019	Bank of New York	Low/Mod Senior Housing		1,648,881	N	\$ 493,963				456,731		\$ 456,731				37,232		\$ 37,232
2002 Housing Tax Allocation Parity Bonds MERP Housing)	Bonds Issued On or Before 12/31/10	9/1/2002	9/1/2024	Bank of New York	Low/Mod Senior Housing			Y	\$ -						\$ -						\$ -
2007Housing Series A	Bonds Issued On or Before 12/31/10	9/1/2007	9/1/2019	Bank of New York	Low/Mod Senior Housing		2,996,841	N	\$ 897,675				858,884		\$ 858,884				38,791		\$ 38,791
Ostrom Chevrolet Note Payable	Third-Party Loans	2/1/2009	1/31/2030	Sevecherian	Purchase of Former Ostrom Chevrolet Property		4,640,990	N	\$ 337,778				168,889		\$ 168,889				168,889		\$ 168,889
Town Center Payments - Shops at Montebello	Miscellaneous	5/2/2000	5/2/2024	Aetna Life Insurance	Debt Obligation per Agreement # 1839		452,724	N	\$ 452,724				452,724		\$ 452,724			-			\$ -
Pension Obligations	Unfunded Liabilities	7/1/2012	6/30/2024	City of Montebello	Agency obligation of Employer Contributions			N	\$ -						\$ -						\$ -
Oversight Board Attorney - Litigation	Legal	7/1/2012	6/30/2014	Stradling, Yocca, Carlson, & Rauth	Successor Agency Attorney			N	\$ -						\$ -						\$ -
Attorneys Fees - Litigation	Legal	7/1/2012	6/30/2014	Various	Attorney's Fees Directly Charged Sevecharian Litigation			N	\$ -						\$ -						\$ -
Administrative Transaction fee	Admin Costs	7/5/2012	6/30/2014	Various	Admin Overhead and other G&A Chgs		250,000	N	\$ 250,000					125,000	\$ 125,000				125,000		\$ 125,000
Arbitrage Calculation Costs on Bonds	Fees	3/1/1997	3/1/2027	Arbitrage Compliance Specialists	Preparation of Federal & State Arbitrage Compliance Computations		14,000	N	\$ 14,000				7,000		\$ 7,000				7,000		\$ 7,000
Agreed Upon Procedures - Housing Project Maintenance Costs	Dissolution Audits	10/15/2012	1/31/2013	Auditor to be determined	Successor Agency Housing review			N	\$ -						\$ -						\$ -
	Property Maintenance	7/1/2012	6/30/2030	Various	Costs associated with maintain property owned by SA		40,000	N	\$ 40,000				20,000		\$ 20,000				20,000		\$ 20,000
Due Diligence and audit of fye 6.30..	Dissolution Audits	6/30/2012	6/30/2014	Various	DDR and other professional accounting services			N	\$ -						\$ -						\$ -
Fiscal agent fees	Fees	7/1/1997	3/1/2027	BNY Western Trust	BNY Western Trust		40,000	N	\$ 40,000				20,000		\$ 20,000				20,000		\$ 20,000
Litigation Settlement	Litigation	2/21/2013	6/30/2016	Severcherian	Settlement of lawsuit against former Redevelopment Agency		-	N	\$ -						\$ -						\$ -
Property Management plan	Professional Services	7/1/2012	12/31/2014	Kosmont Realty	Preparation of Property management plan pursuant to AB 1484			N	\$ -						\$ -						\$ -
Maintenance Costs on SA properties paid by City	Property Maintenance	2/1/2012	12/31/2014	City of Montebello	Maintenance Charges on City Hall, Acuna Park & Police Station			N													
Attorneys Fees - Litigation	Litigation	7/1/2012	6/30/2014	various	Litigation expenses per HSC 34171(b)			N													
Attorneys Fees - Litigation	Litigation	7/1/2012	6/30/2014	Stradling Yocca Carlson & Ralph	Litigation expenses per HSC 34171(b)			N													
Arbitrage Calculation Costs on Bonds	Fees	7/1/1997	3/1/2027	Arbitrage Compliance Specialists	Arbitrage compliance computation for Federal & State Reporting requirements on bonds			N													
Ostrom Chevrolet Note Payable	Third-Party Loans	2/1/2009	1/31/2030	Sevecherian	Purchase of Former Ostrom Chevrolet Property			N													
Montebello Hilton	Bond Reimbursement Agreements	9/23/2004	12/1/2034	Bank of New York	Guarantee per Hotel Project Agreement that the Successor Agency will advance funds to cover debt service in the event that hotel operations cannot.		1,101,069	N	\$ 1,101,069				814,472		\$ 814,472				286,597		\$ 286,597
Low Mod Housing Deferral	Unfunded Liabilities	1/28/2009	6/30/2028	City of Montebello Successor Housing Agency	Per 33333.6(g) of California Health and Safety Code		210,000	N	\$ 210,000				105,000		\$ 105,000				105,000		\$ 105,000
SERAF	Unfunded Liabilities	7/1/2014	6/30/2017	City of Montebello Successor Housing Agency	SERAF repayment per 34191.4(b)(2)(B) and 34176 (e) (6) (B)		210,000	N	\$ 210,000				105,000		\$ 105,000				105,000		\$ 105,000
Retirement Property Tax Increment FYE 6.30.12	Unfunded Liabilities	2/1/2012	6/30/2012	City of Montebello Retirement Special Revenue Fund	H&S Code sections 34171(d)(1)(C), 34183(a)(4) , 34188(b)			N													
Retirement Property Tax Increment FYE 6.30.13	Unfunded Liabilities	7/1/2012	6/30/2013	City of Montebello Retirement Special Revenue Fund	H&S Code sections 34171(d)(1)(C), 34183(a)(4) , 34188(b)			N													
Retirement Property Tax Increment FYE 6/30/14	Unfunded Liabilities	7/1/2013	6/30/2014	City of Montebello Retirement Special Revenue Fund	H&S Code sections 34171(d)(1)(C), 34183(a)(4) , 34188(b)			N													
Retirement Property Tax Increment FYE 6/30/15	Unfunded Liabilities	7/1/2014	6/30/2015	City of Montebello Retirement Special Revenue Fund	H&S Code sections 34171(d)(1)(C), 34183(a)(4) , 34188(b)			N													
Oversight Board Attorney - Litigation	Admin Costs, litigation	7/1/2014	6/30/2015	Stradling, Yocca, Carlson, & Rauth	Successor Agency Attorney Litigation of RPTTF			N	\$ -						\$ -						\$ -
Attorneys Fees - Litigation	Admin Costs, litigation	7/1/2014	6/30/2015	Various	Attorney's Fees Litigation of RPTTF			N	\$ -						\$ -						\$ -
AB 471 Allocation	Unfunded Liabilities	7/1/2014	6/30/2015	City of Montebello Successor Housing Agency	Payment pursuant to AB 471			N													

Montebello Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail																							
July 1, 2016 through June 30, 2017																							
(Report Amounts in Whole Dollars)																							
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	16-17A					16-17A Total	16-17B					16-17B Total	
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
											Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		
47	2015A Successor Agency Tax Allocation Refunding Bonds (Tax-Exempt)	Bonds Issued After 12/31/10	9/1/2015	9/1/2027	Bank of New York	To refund: HOUSING 02, HILLSIDE 97, HILLSIDE 98A, HILLSIDE 99A, HILLSIDE 09A, SI 99A, SI 99B		30,176,175	N	\$ 2,563,650					2,044,375		\$ 2,044,375				519,275		\$ 519,275
48	2015B Successor Agency Tax Allocation Refunding Bonds (Taxable)	Bonds Issued After 12/31/10	9/1/2015	9/1/2019	Bank of New York	To refund: HILLSIDE 98B		1,467,556	N	\$ 359,944					348,519		\$ 348,519				11,425		\$ 11,425
49	Bond Proceeds Expenditure Agreement	Miscellaneous	1/13/2016	6/30/2017	City of Montebello	Excess Bond Proceeds Obligation	Montebello Hills Redevelopment Project Area	4,666,731	N	\$ 4,666,731	2,333,366					\$ 2,333,366	2,333,365					\$ 2,333,365	
50									N	\$ -						\$ -						\$ -	
51									N	\$ -						\$ -						\$ -	
52									N	\$ -						\$ -						\$ -	
53									N	\$ -						\$ -						\$ -	
54									N	\$ -						\$ -						\$ -	
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85									N	\$ -						\$ -						\$ -	
86									N	\$ -						\$ -						\$ -	

Montebello Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see CASH BALANCE TIPS SHEET .								
A	B	C	D	E	F	G	H	I
		Fund Sources						
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
	Cash Balance Information by ROPS Period							Comments
ROPS 15-16A Actuals (07/01/15 - 12/31/15)								
1	Beginning Available Cash Balance (Actual 07/01/15)	4,666,731		1,073,895		1,308,341		
2	Revenue/Income (Actual 12/31/15) RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015					201,814	4,655,637	
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)					79,025	4,720,447	
4	Retention of Available Cash Balance (Actual 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						125,000	
5	ROPS 15-16A RPTTF Balances Remaining	No entry required						
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 4,666,731	\$ -	\$ 1,073,895	\$ -	\$ 1,431,129	\$ (189,810)	
ROPS 15-16B Estimate (01/01/16 - 06/30/16)								
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 4,666,731	\$ -	\$ 1,073,895	\$ 125,000	\$ 1,431,129	\$ (189,810)	
8	Revenue/Income (Estimate 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016						2,042,310	
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)						2,042,310	
10	Retention of Available Cash Balance (Estimate 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				125,000			
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	\$ 4,666,731	\$ -	\$ 1,073,895	\$ -	\$ 1,431,129	\$ (189,810)	

Montebello Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

[illegible]

OB RESOLUTION NO. _____

**A RESOLUTION OF THE MONTEBELLO OVERSIGHT BOARD APPROVING THE
MONTEBELLO SUCCESSOR AGENCY'S RECOGNIZED OBLIGATIONS PAYMENT
SCHEDULE FOR FISCAL YEAR 2016-2017 (ROPS 16-17)**

WHEREAS, the former Community Redevelopment Agency of the City of Montebello ("Agency") was a community redevelopment agency organized and existing under the California Redevelopment Law;

WHEREAS, the Agency was dissolved effective February 1, 2012, by way of Assembly Bill 1x26 (as subsequently amended from time to time, the "Dissolution Act") and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231;

WHEREAS, the Dissolution Act created a "successor agency" for each dissolved redevelopment agency, and charged such agencies with completing various tasks and obligations geared towards "winding down" the affairs of their respective redevelopment agency;

WHEREAS, the Dissolution Act created an "oversight board" for each successor agency, and charged such boards with overseeing, reviewing, and approving enumerated successor agency actions;

WHEREAS, by resolution of the City Council, the City of Montebello serves as the successor agency to the dissolved Agency ("Successor Agency"), and the Montebello Oversight Board is the statutorily created oversight board of the Successor Agency ("Oversight Board");

WHEREAS, the Dissolution Act previously required the Successor Agency to prepare a "recognized obligation payment schedule" ("ROPS") for each six (6) month fiscal period, listing all payments due on enforceable obligations during that fiscal period;

WHEREAS, Senate Bill 107 ("SB 107") was enacted in September 2015, and replaced the biannual ROPS process with a requirement that an annual ROPS be prepared for all fiscal years commencing after January 1, 2016;

WHEREAS, after preparation by the Successor Agency, each ROPS must be submitted to and approved by the Oversight Board, and, before February 1 of the applicable fiscal year, an Oversight Board-approved ROPS must be transmitted to the Los Angeles County Auditor-Controller and the California Department of Finance for review; and

WHEREAS, the Oversight Board has duly considered the Successor Agency's ROPS covering the July 1, 2016, to June 30, 2017, payment period ("ROPS 16-17"), as such is attached to this Resolution, and is satisfied that such ROPS complies with the statutory mandates of the Dissolution Act.

NOW THEREFORE, THE MONTEBELLO OVERSIGHT BOARD HEREBY FINDS, DECLARES AND RESOLVES AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part hereof.

SECTION 2. The Oversight Board hereby approves the Successor Agency's Recognized Obligation Payment Schedule for the period of July 1, 2016, to June 30, 2017, as such ROPS 16-17 is attached hereto this Resolution.

SECTION 3. The Oversight Board directs Successor Agency staff to take such further action(s) as required to obtain approval of ROPS 16-17 by the California Department of Finance, and to ensure all obligations listed on ROPS 16-17 are timely paid and performed.

SECTION 4. The Secretary shall certify to the passage and adoption of this resolution, which shall become effective immediately upon adoption.

PASSED, APPROVED and ADOPTED this 25th day of January, 2016.

Richard Bruckner,
Oversight Board Chair

ATTEST:

Oversight Board Secretary

I, Estevan Padilla, that the foregoing Resolution was duly adopted by the Montebello Oversight Board at its meeting held on the 25th day of January 2016, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Oversight Board Secretary